

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7709

BILL NUMBER: HB 1452

DATE PREPARED: Feb 1, 1999

BILL AMENDED:

SUBJECT: Health Facility Patient and Employee Immunization.

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FUNDS AFFECTED: X GENERAL
DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: This bill requires a health facility to immunize all patients and employees against the influenza virus and pneumococcal disease. The bill establishes a procedure for obtaining consent. It also provides certain exceptions.

Effective Date: July 1, 1999.

Explanation of State Expenditures: (Revised) This bill requires a health facility to immunize all patients and employees against the influenza virus and pneumococcal disease. The state share of Medicaid costs for immunizations for nursing facility residents under age 65, and thus not covered by Medicare, is about \$18,200 for FY2000 and \$6,100 for FY2001 (Total costs and federal cost share are presented in the table, below.). The lower second year costs reflect the Centers for Disease Control (CDC) recommendation that immunizations against pneumococcal disease not be administered at closer than five-year intervals for individuals under the age of 65.

The state cost of employee influenza immunizations that would be reimbursable through the Medicaid program is estimated to be \$61,000 for FY2000 and \$61,000 for FY2001 (Total costs and federal cost share are presented in the table, below.). The cost of pneumococcal immunization for employees in accordance with CDC recommendations for health care workers has not been determined at this time.

Background: These estimates are based on the following assumptions: (a) influenza immunizations occur annually and pneumococcal immunizations occur no more than once every five years per recipient; (b) cost of influenza vaccines \$6.40 to \$7.15 per immunization; cost of pneumococcal immunizations is about \$14.31 per recipient; (c) 50,900 employees of nursing facilities and 3,118 residents under the age of 65 (and thus not covered by Medicare); (d) 30% of employees and residents under age 65 are already vaccinated; (e) total nursing facility resident days of 15,447,640 and total Medicaid resident days of 10,593,829; (f) state cost share for Medicaid program expenditures of 38.89%.

According to the recommendations of the Advisory Committee on Immunization Practices (ACIP) persons who should be vaccinated for pneumococcal disease include, in addition to persons greater than 65 years of age, the following persons between 2 and 65 years of age: (a) those who, because they have certain chronic illnesses, are at increased risk for pneumococcal disease, its complications, or severe disease if they become infected including those who have chronic cardiovascular disease, chronic pulmonary disease, chronic obstructive pulmonary disease, diabetes mellitus, alcoholism, chronic liver disease, or cerebrospinal fluid leaks; (b) those with functional or anatomic asplenia (e.g., sickle cell disease, splenectomy); (c) those living in special environments or social settings where an increased risk exists for invasive pneumococcal disease or its complications (e.g., Alaska Natives and certain American Indian populations); (d) immunocompromised persons including those infected with HIV, persons with leukemia, lymphoma, Hodgkin's disease, multiple myeloma, generalized malignancy, chronic renal failure, nephrotic syndrome; organ or bone marrow transplantation, and persons receiving immunosuppressive chemotherapy (Source: ACIP referenced below). It is not known at this time how many nursing facility employees would fall under the descriptions, above, and thus be subject to the immunization provisions of this bill.

The estimated total costs with state and federal cost shares are presented in the following table. The number of nursing facility employees subject to the pneumococcal immunization provisions of the bill are not known at this time.

Estimated Costs for Immunization Against Influenza and Pneumococcal Disease.

Immunization for:	Residents Under Age 65	Employees
Influenza - Cost	\$15,600	\$156,000
(State \$ / Fed'l \$)	(\$6,100 / \$9,500)	(\$61,000 / \$95,000)
Pneumococcal - Cost	\$31,100	Undetermined
(State \$ / Fed'l \$)	(\$12,100 / \$19,000)	Undetermined
Total Costs - FY2000	\$46,700	Undetermined
(State \$ / Fed'l \$)	(\$18,200 / \$28,500)	Undetermined
Total Costs - FY2001	\$15,600	Undetermined
(State \$ / Fed'l \$)	(\$6,100 / \$9,500)	Undetermined

These estimates are based on the number of employees and residents at a point-in-time. The estimates are understated to the extent that there are likely to be additional non-immunized new-hires and new residents occurring between December 1 and April 1, as provided in the bill, and before the next year's flu season. The impact of employee and resident turnover is not determined at this time.

Explanation of State Revenues: See Explanation of State Expenditures, above, regarding federal revenues from federal cost sharing in the Medicaid program.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of Medicaid Policy and Planning

Local Agencies Affected:

Information Sources: Vince McGowan, Indiana Health Care Association, 636-6406; Dave Ellsworth, Indiana Immunization Program Director; Karen Kinder, Office of Medicaid Policy and Planning, 232-5659.

Immunization of Health-Care Workers: Recommendations of the Advisory Committee on Immunization Practices (ACIP) and the Hospital Infection Control Practices Advisory Committee (HICPAC), U.S. Centers for Disease Control, MMRW 46(RR-18), December 26, 1997.

Prevention of Pneumococcal Disease: Recommendations of the Advisory Committee on Immunization Practices (ACIP), MMRW 46(RR-08), April 4, 1997.